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EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

BULLETIN NO. 72-12

May 24, 1972

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Executive development program resource plan

1. Purpose. This Bulletin provides instructions for the submission of agency resource plans for their executive development programs.

2. Background. My memorandum of September 14, 1971 for the Heads of Departments and Agencies, referred agency heads to a set of Civil Service Commission guidelines on executive development (FPM Letter 412-1) and noted that the Office of Management and Budget would be reviewing agency progress in relation to those guidelines. The guidelines provide the management practices standards for agency executive development programs. The reporting requirements of this Bulletin cover only information that would otherwise be needed by each agency for effective management of its program.

3. Reporting requirements. Each agency will submit to the Office of Management and Budget (Attention: Executive Development and Labor Relations Division) by June 15, 1972, a resource plan for implementing its executive development program. The submission will cover total financial resources planned for the executive development program for fiscal years 1973 and 1974, including the administrative expenses essential for carrying out the program. The agency plan will be submitted for the same organizational units for which an executive development submission was made on April 30, 1972, to the Civil Service Commission under FPM Letter 412-1.

No established format is required for submission of the plan. Financial data will be reported in terms of obligations unless the agency believes another financial measure (e.g., costs, outlays, etc.) would be more appropriate. The fiscal year 1973 plan should reflect amounts previously budgeted for that year for high-potential, mid-level employee identification and development or executive development, and other amounts which can be internally reallocated to these areas within the agency's fiscal year 1973 budget in view of their high Presidential priority. The fiscal year 1974 plan should reflect the resources planned for executive development consistent with what is anticipated for the agency's fiscal year 1974 budget submission. In those cases where amounts reported are less than the amount necessary for complete implementation of the executive development program, this should be so indicated.

The plans should be developed though the interaction of persons designated by the agency to be responsible for executive development, budget officials, and responsible line management officers. The plan should carry the signature of the person designated and reported to the Civil Service Commission as the principal assistant having primary responsibility for executive development.

These resource plans will be reviewed by the Office of Management and Budget staff in relation to the agency's executive development program. Agency personnel may be consulted concerning the adequacy of their resource commitment or other specific issues raised by the report.

Additionally, those agencies which were not required to report their program progress to the Civil Service Commission by April 30, 1972, will include with their plan:

- a. A copy of the agency's policy statement on executive development.
- b. A description of the agency's present and planned executive development program.

4. Inquiries. Inquiries and requests for assistance should be addressed to the Office of Management and Budget, Executive Development and Labor Relations Division, telephone: 395-6916 (Code 103, Ext. 6916).

GEORGE P. SHULTZ
Director

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25 Jan. 72

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 72-11

January 19, 1972

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Increased pay costs for 1972 and 1973

1. Purpose. This Bulletin provides instructions for the submission of:

a. An analysis of increased pay costs for fiscal year 1972.

b. A summary of the increased pay costs for fiscal year 1973.

The information submitted will serve as the agency requests for 1972 pay supplementals and 1973 budget amendments for pay.

2. Coverage. These instructions apply only to the increased pay costs of:

a. Civilian personnel pay raises effective in January 1972 under Executive Order 11637, issued pursuant to P.L. 92-210, and comparable raises granted by administrative action.

b. Military personnel pay raises effective in January 1972, under Executive Order 11638, issued pursuant to P.L. 90-207.

c. Actual wage board pay raises effective in 1972 and granted under 5 USC 5341(a), together with additional raises estimated to be granted under the same authority through June 30, 1972; and retroactive raises under 5 USC 5341(c).

These instructions do not apply to the increased pay costs related to Public Laws 91-656 and 92-129. Nor do they apply to the increased pay costs for wage boards resulting from pay raises anticipated to be granted during 1973.

3. Policy. The following policies will apply:

a. 1972 increased pay costs.

(1) Basis for the estimates. The amount of the 1972 increased pay costs specified above will be computed on the basis of the latest civilian personnel ceilings approved by the Office of Management and Budget (or estimates where ceilings are not applicable).

(2) Absorption. Agencies will absorb these increased costs to the fullest extent possible. Savings resulting from the Federal civilian employment reductions and the control of grade escalation in the General Schedule (see OMB Bulletin Nos. 72-4 and 72-5) should be used, insofar as possible, for absorption of these increased pay costs. Reapportionment requests should be submitted in accordance with paragraph 5, below, to apportion such savings which have previously been placed in reserve.

In addition, each agency will apply the principles set forth in OMB Circular Nos. A-44 and A-64 to achieve economies and savings in operations through cost reduction, position management, and other management improvement programs. Pay supplementals should be proposed only in cases where the head of the agency has determined, by his personal review, that full absorption is not possible.

(3) Application of savings. Savings available within an account should be applied in priority order as follows:

(a) Program increases for uncontrollable items which qualify for deficiency apportionments, if the total amount can be absorbed. This includes increased costs for health benefits for Federal Employees, required because of the increased costs of operation of these programs (P.L. 91-418).

(b) Any increased pay costs which can be absorbed in full, except for those increased costs covered by wage board pay supplementals which are requested in the 1973 Budget.

(c) Any increased pay cost which cannot be absorbed in full:

(1) Civilian pay.

(2) Wage board pay (other than those requested in the 1973 Budget).

(3) Military pay.

(4) Transfer authority. Maximum advantage should be taken of any existing transfer authority to increase the absorption of the increased pay costs in fiscal year 1972 on an agency wide basis. The provision of additional transfer authority by Congress for fiscal year 1972 should also be sought under the following rules:

(a) Transfers will be limited to those from accounts which expire for obligation on June 30, 1972, and from unexpired accounts for which no additional new obligational authority will be required in future years.

(b) Preference should be given to transfers from appropriations for operating and administrative expenses ahead of transfers from appropriations for other purposes.

(c) No consideration will be given to transfers from accounts for which supplemental estimates are requested or contemplated.

(d) Transfers between trust and Federal fund accounts for purposes of absorption of these costs should not be proposed.

b. 1973 increased pay costs.

(1) Basis for estimates. The amount of the 1973 increased pay costs specified above will be computed on the basis of program levels as contemplated by the costs and obligations shown in the 1973 Budget Appendix.

In calculating the amount of the budget amendment to be requested, consideration should be given to the additional payments for increased pay costs required to be made to other agencies or accounts for work being done on a reimbursable basis, as well as offsets to increased pay costs derived from advances and reimbursements from other agencies or accounts.

Appropriations should not be required for revolving funds and management funds (including consolidated working funds), since the increased pay costs for such funds should be completely covered by increased reimbursements and receipts.

(2) Absorption. No estimate of absorption of fiscal year 1973 increased pay costs is required at this time. Present plans call for the later issuance of further instructions with regard to absorption of the increased pay costs

to be incurred in 1973 (including any further raises which may be put into effect during that fiscal year).

4. Preparation of required materials. Each agency is required to prepare and submit the following materials on increased pay costs by February 18, 1972:

a. Analysis of 1972 increased pay costs. This analysis will be prepared in the format of Exhibit 1 and in accordance with the instructions in Attachment A.

In addition to the required analysis, the agency submission will include:

(1) A narrative explanation of the methods used in computing the increased pay costs and the reasons why sufficient 1972 savings cannot be achieved to permit absorption of the entire amount.

(2) Appropriation language where transfers must be authorized or limitations must be changed.

These are the only submissions required for the above increased 1972 pay costs covered by this Bulletin, unless agencies are specifically notified otherwise. Therefore, no submissions under OMB Circular No. A-41 are required for these supplemental requests.

b. Summary of 1973 increased pay costs. This summary will be prepared in the format of Exhibit 2 and in accordance with the instructions in Attachment B.

In addition to the required summary, the agency submission will include:

(1) A short narrative explanation of the methods used in computing the increased pay costs.

(2) Changes in appropriation or limitation language, where required.

5. Apportionment and reapportionment requests for fiscal year 1972. Apportionment or reapportionment requests will be submitted in accordance with Part IV of OMB Circular No. A-34. Requests which anticipate a need for a supplemental appropriation will also include three copies of the agency head's statement of necessity, as required by law. When a group of such requests is transmitted at one time, a single certification may be used for all requests. The

analysis required by paragraph 4 above will also serve to justify the request for deficiency apportionment when it is due solely to increased pay costs.

6. Agency justifications of 1973 requests. Each agency will be notified by the Office of Management and Budget as soon as practicable of its portion of the budget amendment which the President will transmit to Congress for the 1973 increased pay costs. After such transmittal, budget justifications for committees of Congress should be based upon the amended recommendations. Prior to that time, justifications and testimony should be directed toward the unamended amounts.

CASPAR W. WEINBERGER
Deputy Director

Attachments

Attachment A
Bulletin No. 72-11

ANALYSIS OF 1972 INCREASED PAY COSTS

Each agency is requested to submit an analysis of the 1972 increased pay costs resulting from the items specified in paragraph 2 of this Bulletin. This analysis will be in the form illustrated by Exhibit 1, and will be accompanied by the narrative explanation and appropriation language required in paragraph 4 of this Bulletin. Agency submission of the required analysis will be made by February 18, 1972, in an original and two copies.

For purposes of this analysis, allocation accounts (transfer appropriation accounts) will be reported with the parent account rather than with the receiving agency. It is therefore necessary that each agency receiving an allocation furnish to the agency responsible for the parent account the data necessary to prepare the analysis, including justifications, at an early date. Unless otherwise arranged between the agencies concerned, the information should be furnished to the parent agency by February 11, 1972. Allocation accounts will be considered a source of transfer only to the parent agency.

In the case of advances and reimbursements paid into revolving and management funds (including consolidated working funds) and into appropriation accounts, the receiving agency will include the associated increased pay costs as a part of its absorption, without the necessity of separate identification or of clearance with the paying agency. The agency making the advance or reimbursement will normally consider such amounts as a part of its ordinary expenses and will not need to identify these increased pay costs, unless congressional action is necessary to provide an additional appropriation or transfer authority to cover part of the increased pay costs. In such cases, the portion of the increased pay costs attributable to advances and reimbursements must be ascertained and justified.

The analyses will be prepared on 8" x 13" paper, as described below. In cases where allocation accounts are involved or where there is more than one type of pay increase involved, the amounts applicable to each will be separately identified in columns 2 through 8 (see paragraph 3 of this Bulletin concerning the absorption policy and the priority order in

which absorption should be considered). An agency total will be included, to show the increased costs attributable to all pay raises. Below that total, memorandum entries (enclosed in parentheses) will show the total amounts attributable to each type of pay raise involved.

Column 1. List under each bureau or organizational unit to which separate appropriations or funds are available, the title of each appropriation or fund account (other than allocations from other agencies) out of which any increased pay costs are paid directly. These will include revolving and management funds (including consolidated working funds) and trust funds. Account titles will be listed in the order in which they appear in the budget. At least one line should be left between account titles. Allocations to other agencies will be indented under the appropriation account title.

Increased pay costs attributable to Executive Order 11637 will be entered without further identification. Those provided by other authority or by administrative action will be identified in the stub column under each of the above stub entries where appropriate (or in the heading of the analysis when Executive Order 11637 is not applicable). In the case of increased costs for wage boards, indicate with an asterisk next to the stub entry these items for which a 1972 pay supplemental was included in the 1973 Budget.

Column 2. Report the direct cost of pay raises for employees paid from the account being reported, whether or not the costs are reimbursable. Agencies should be careful to include any additional payments to employees required by Executive Order 11637 normally associated with object class 11, such as overtime, Sunday premium pay, etc. If the increased pay cost is disproportionately high in relation to the base for any account, the components and method of calculation should be fully set forth in the narrative explanation. Do not report in this column advances or reimbursements to other appropriations or funds for work or services (to the extent they cannot be absorbed, they are to be reported in column 4).

Column 3. For each listed account, report the added costs which are not direct, but are related to the pay raise, whether or not the costs are reimbursable. For this purpose, the related costs include such items as Government retirement contributions, employer FICA taxes, Government contributions on employee life insurance premiums, and other payments which are based on employees' salaries.

Do not report advances or reimbursements to other appropriations or funds for work or services (to the extent

they cannot be absorbed, they are to be reported in column 4). Do not include the cost of the increase in health benefit contributions required by Public Law 91-418.

Column 4. Report the unabsorbed amount of the increased pay costs to be paid as advances and reimbursements to other appropriations or funds. In most cases this column should be blank. Whenever an amount is shown in this column, an equal or greater amount must be shown in column 6 or column 8, since payments to other accounts will be considered for absorption ahead of the increased pay cost of the account itself.

Column 5. Report for each account the portion of the increases shown in columns 2 and 3 which can be absorbed without additional congressional action. The amounts reported in this column will also include absorption through transfers from other accounts which can be made under existing authority, and amounts to be covered by reimbursements from other accounts. (Note. Amounts will be applied to column 4 before column 5. If any amount is shown in column 4, column 5 will be blank - except for reimbursements or transfers.)

Column 6. Report the portion of the increased costs in columns 2, 3, and 4 which can be absorbed if Congress provides appropriate additional authority. Indicate the type of authority required by the following symbols:

- (T) Transfer authority required
- (A) Increase in administrative expenses limitation required
- (W) Waiver of limitation on personal services required

Thus, this column will include absorptions through transfers not yet authorized, and absorptions through increases and waivers in limitations.

Column 7. Total of columns 5 and 6.

Column 8. Report the additional appropriation considered necessary as a result of the raises reported. This column should equal the sum of columns 2, 3, and 4 minus column 7. Include in this column any amounts already requested in the 1973 Budget for wage board increased costs. When such amounts are included, the agency total for wage boards should be appropriately footnoted. In cases where waiver of a limitation on personal services is also required, this should be indicated by the symbol "(W)."

NOTE. Account titles from which transfers are proposed to be made as reported under columns 5 and 6 will be identified, either in footnotes or in a separate list.

EXHIBIT 1
Bulletin No. 72-11
February 17, 1972

ANALYSIS OF 1972 INCREASED PAY COSTS
(Executive Order 11637 unless otherwise identified)

DEPARTMENT OF GOVERNMENT

Organizational unit and account title (1)	Increase in direct pay and other related cost of this agency		Unabsorbed amounts for payment to other accounts (4)	Possible by admin- istrative action (5)	Net absorption		Additional appropria- tion required (8)
	Direct pay (2)	Related cost (3)			Requiring congres- sional action (6)	Total (7)	
Office of Departmental Management:							
Salaries and expenses.....	\$ 151,860	\$ 12,231	...	\$ 30,016 1/	\$ 32,075(T) 2/	\$ 62,091	\$ 102,000
Wage board.....	31,500	2,650	...	34,150	...	34,150	...
Bureau of Inspection:							
Salaries and expenses.....	730,120	59,500	...	580,620	50,000(T) 3/	630,620	159,000
Allocations to:							
Department of the Interior....	17,000	1,360	...	18,360	...	18,360	...
Inspection Services.....	160,000	13,000	\$65,000	238,000(W)
Wage board */	20,000	1,720	...	10,720	...	10,720	11,000
<hr/>							
Government Corporation:							
ABC revolving fund (Adm. action).	817,000	67,000	...	684,000	200,000(A)	884,000	...
Total, all pay increases.....	7,173,500	592,250	65,000	3,477,750	740,000	4,217,750	3,613,000
Executive Order 11637..	(6,215,000)	(512,750)	(65,000)	(2,718,750)	(528,000)	(3,246,750)	(3,546,000)
Wage board.....	(141,500)	(12,500)	...	(75,000)	(12,000)	(87,000)	(67,000) 4/
Adm. action.....	(817,000)	(67,000)	...	(684,000)	(200,000)	(884,000)	...

Symbols used above: T -- Transfer authority required; A -- Increase in administrative expenses limitation required;
W -- Waiver of limitation on personal services required.

*/ Wage board supplemental already requested.
1/ Includes \$5,000 to be transferred from "Salaries and Expenses, Bureau of Safety."
2/ To be transferred from "Research, Bureau of Safety."
3/ To be transferred from "Grants, Bureau of Planning."
4/ Includes total of \$32,000 wage board supplemental already requested.

NOTES: a. Amounts in this schedule
are in dollars.
b. Actual size of this
form is 8 x 13 inches.

Attachment B
Bulletin No. 72-11

SUMMARY OF 1973 INCREASED PAY COSTS

Each agency is requested to submit a summary of 1973 increased pay costs resulting from the items specified in paragraph 2 of this Bulletin. This summary will be in the form illustrated by Exhibit 2, and will be accompanied by the narrative explanation and appropriation language required in paragraph 4 of this Bulletin. Agency submission of the required summary will be made by February 18, 1972, in an original and two copies.

For purposes of this summary, allocation accounts (transfer appropriation accounts) will be reported with the parent account rather than with the receiving agency. It is therefore necessary that each agency receiving an allocation furnish to the agency responsible for the parent account the data necessary to prepare the report. Unless otherwise arranged between the agencies concerned, the information should be furnished to the parent agency by February 11, 1972.

In the case of advances and reimbursements paid into revolving and management funds (including consolidated working funds) and appropriation accounts, the associated increase in advances and reimbursements will be deducted from the increase in direct pay and related costs in the account of the receiving agency in arriving at its budget amendment request. This may be done without the necessity of clearance with the paying agency. Similarly, the agency making the advance or reimbursement will add the associated amount to the increased direct pay and related cost for its account in arriving at its budget amendment request.

The summary will be prepared on 8" X 10-1/2" paper, as described below. Each account affected by the specified pay raises will be listed and the amount applicable to each account will be shown, with the total for all listed accounts provided as indicated in Exhibit 2. Instructions on the entries for this summary follow.

Column 1. List the page number in the 1973 Budget Appendix on which can be found the account or fund listed in column 2.

Column 2. List under each bureau or organizational unit to which separate appropriations or funds are available, the title of each appropriation or fund account (other than allocations from other agencies) which is affected by the specified pay raises. These will include revolving and management funds (including consolidated working funds) and

trust funds. Account titles will be listed in the order in which they appear in the budget.

Column 3. Show the amount requested in the 1973 Budget for the account or fund listed in column 2. This will be the amount shown in the appropriation language as proposed in the 1973 Budget Appendix. Where an administrative expenses limitation is shown in the 1973 Budget Appendix, the amount of the limitation will be shown in parentheses as a non-add entry.

Column 4. Identify the proposed 1973 budget amendment for pay raises for the account or fund shown in column 2. Additional appropriations required will be the sum of the following:

- a. The increased direct pay and related costs to the account;
- b. Plus any increased payments or reimbursements required to other accounts;
- c. Minus any increased payments or reimbursements from other accounts.

In the case of wage board increased costs in 1973 resulting from raises granted (or to be granted) in 1972, exclude from this column those amounts which were already considered in the calculation of the 1973 Budget request.

Where an increase in an administrative expenses limitation is required, the amount of the increase will be shown in parentheses as a non-add entry and identified with the symbol, "(A)". Where a waiver of a limitation on personal services is required, the amount shown in this column will be identified with the symbol "(W)".

Amounts requested and shown in this column should be in dollars rounded to thousands, i.e., if the above calculation comes to \$34,231, the amount to be shown should be \$34,000.

Column 5. Enter the sum of columns 3 and 4.

SUMMARY OF 1973 INCREASED PAY COSTS

February 17, 1972

DEPARTMENT OF GOVERNMENT

Page number
in 1973
Budget
Appendix

(1)	(2)	Request pending (3)	Proposed amendment (4)	Revised request (5)
875	Office of the Secretary Salaries and expenses.....	\$ 6,900,000	\$ 480,000 (W)	\$ 7,380,000
877	Bureau of Inspection Salaries and expenses.....	7,253,000	430,000	7,683,000
878	Inspection services.....	5,800,000	220,000	6,020,000
897	Government Corporation ABC revolving fund.....	(9,450,000)	(567,000) (A)	(10,017,000)
	Total of above accounts.....	311,650,000	18,792,000	330,442,000

A - Increase in administrative expenses limitation required.
W - Waiver of limitation on personal services required.

Notes:

- a. Amounts shown are in dollars
(rounded to thousands)
- b. Actual size of this form is
8 X 10-1/2 inches

OMB Bulletin No 72-10

Declassified in Part - Sanitized Copy Approved for Release 2013/07/17 : CIA-RDP06M00944R000200100002-3

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 72-10

December 23, 1971

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Establishment or adjustment of prices, rents,
and charges by Federal agencies

1. Purpose and objective. This Bulletin establishes policies and procedures relating to the establishment or adjustment of prices, rents, and charges by Federal agencies. Its objective is to assure that these actions are consistent with the requirements of law and with the objectives of the Economic Stabilization Program.

2. Background. On December 23, 1971, the Cost of Living Council announced the exemption of all price, rent, and charge actions by the Federal Government from the regulations of the Economic Stabilization Program.

3. Policies and procedures.

a. The establishment or adjustment of prices, rents, and charges covered by Office of Management and Budget Circular No. A-25, User charges, will continue to be governed by the provisions of that Circular.

b. The establishment or adjustment of charges for rental quarters and related facilities covered by Office of Management and Budget Circular No. A-45, Policy governing charges for rental quarters and related facilities, will continue to be governed by the provisions of that Circular.

c. The establishment or adjustment of prices, rents, and charges must be reviewed with the Office of Management and Budget prior to their implementation when:

(1) The actions are covered by Circulars Nos. A-25 or A-45 but would constitute exceptions to the policies established by those Circulars, or

(2) The actions are not covered by the policies of Circulars Nos. A-25 or A-45.

d. Nothing in this Bulletin should be interpreted as altering the policies of Circulars Nos. A-25 or A-45.

3. Reporting. The reporting requirements of Circular No. A-25 remain in effect. These reports should be submitted as soon as practicable after the end of each specified reporting period. Additional or supplementary reports will be required and requested as necessary or appropriate.

4. Effective date. This Bulletin is effective immediately and will remain in effect until April 30, 1973.

GEORGE P. SHULTZ
DIRECTOR

OID BULLETIN NO. 12-9

8 Dec. 71

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 72-9

December 2, 1971

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Special analysis of Federal civil rights programs

1. Purpose. This Bulletin provides instructions for the submission of information required to prepare a special analysis of Federal civil rights programs to be included in the 1973 budget.

2. Background. Increasing public interest in Federal civil rights programs has led to the establishment of this analysis. It will provide insight into those programs and activities whose primary purpose is the protection of civil rights of minority group members and women and which provide services and benefits specifically targeted to meet their individual needs. The analysis is not intended to cover all Federal programs which provide services and benefits to the general public.

There is a significant lack of data on the minority group status of beneficiaries of Federal programs. This problem is now under review and in future years it is the intention of the Office of Management and Budget to request such data for the appropriate Federal activity. Agencies are urged now to review their programs and establish plans for the collection of such data in future years.

3. Reporting Requirements. Agencies with civil rights programs as defined in paragraph 1 of the Attachment will provide information in accordance with the instructions in the Attachment and in the formats of Exhibits 1 and 2 by December 20, 1971.

GEORGE P. SHULTZ
DIRECTOR

Attachment

ATTACHMENT
Bulletin No. 72-9

INSTRUCTIONS FOR PROVIDING DATA ON FEDERAL CIVIL RIGHTS
PROGRAMS

1. Definition of civil rights programs for this analysis. A civil rights program is one whose primary purpose is the protection of civil rights of minority group members and women or the delivery of services and benefits specifically targeted to meet their individual needs. At a minimum, the following are civil rights programs, listed by lead or administrative agencies, for which data must be submitted.

U.S. Commission on Civil Rights

All programs

U.S. Civil Service Commission

Federal service equal opportunities₁/

Department of Commerce

Minority business enterprises₁/

Department of Defense

Off base open housing assurance

Equal Employment Opportunity Commission

Private sector equal opportunity₁/

General Services Administration

Site selection

Department of Health, Education, and Welfare

Education desegregation assistance
Emergency school assistance

Department of Housing and Urban Development

Fair housing

Department of the Interior

Indian programs

Department of Justice

Civil rights investigation
Community Relations Service
Equal employment opportunity
Open housing enforcement
Title IV enforcement
Title VI enforcement

Department of Labor

Federal contract compliance
Women's Bureau

Small Business Administration

8A assistance₁/

Department of the Treasury

Minority bank deposits₁/

The lead agency for federal service equal opportunity, minority business enterprise, 8A assistance and minority bank deposits noted in the list above should provide data on a government-wide basis. Where necessary, data on the components of these programs operated by other than the lead agency should be obtained by contacting the budget officer of the operating department or agency.

2. Information required. An original and two copies of the following information are required:

- (a) An agency summary by appropriation or fund account (In accordance with paragraph 3 and in the format of Exhibit 1).
- (b) A program schedule (In accordance with paragraphs 4 and 5 and in the format of Exhibit 2).
- (c) A narrative statement (In accordance with paragraph 6).

This information is required for each civil rights program with outlays of \$500 thousand or more in any of the three years covered by the 1973 budget.

1/ Government-wide programs to be reported by lead agency.

3. Agency summary. An Exhibit 1 for all civil rights programs will be prepared for each agency by appropriation or fund account. This will include obligations and outlays, by civil rights program, for each of the three years shown in the budget. Amounts proposed for separate transmittal under existing or proposed legislation will be separately identified. Amounts for all non-civil rights activities funded by the appropriation or fund account will also be shown.

When a program to be reported is funded by more than one appropriation, within an agency, all appropriations must be reported, even though contributions by individual appropriations are less than \$500 thousand. Amounts will be in millions of dollars rounded to the nearest tenth.

4. Classification of program activities. Programs will be classified into one or more of the following civil rights activities:

- Complaint conciliation
- Complaint investigation
- Compliance reviews and monitoring
- Legal enforcement
- Program direction, research, information and other support
- Technical assistance

When a program consists of only one activity or if one activity exceeds 80 per cent of the total program level, the entire program should be assigned to the most dominant activity and a single Exhibit 2 prepared. If a program consists of several of these activities prepare an Exhibit 2 for each program activity which exceeds \$500 thousand. If component activities are less than \$500 thousand, consolidate them into the dominant activity; indicate such in the narrative statement and footnote the Exhibit 2 accordingly.

5. Program schedules. A separate program schedule (Exhibit 2) will be provided for every program (or program activity) as classified above on the basis of either available data or existing sample surveys. However, an exhibit covering the program direction, research, information and other support activity need only provide financial (1.01, 1.02) and man-year (2.07) data. Approval of the Office of Management and Budget must be acquired prior to classifying the entire program into this activity.

It is understood that there may be instances in which availability of data is such that agencies may have difficulty complying in all instances with the provisions of this Bulletin. In such instances, a discussion with the Office of Management and Budget should be initiated at the earliest possible date.

The specific description of the contents of each line item on the program schedule follows:

<u>Code</u>	<u>Type</u>	<u>Description</u>
1.01	Federal obligations	Federal obligations and outlays for each fiscal year covered by the budget will be reported in millions of dollars, net of reimbursements received, but will include payments to other agencies.
1.02	Federal outlays	
2.07	Man-years of service	Report the number of man-years involved in this activity.
2.08	Duration of average case	Report the duration of time (in fraction of a year) that elapses between an individual beneficiary's initial request for services or benefits and their actual delivery.
..04	Obligations per man-years	Federal obligations divided by man-years (1.01 \div 2.07).

6. Narrative statement. Prepare a narrative statement for each program. These statements must include:

- (a) A concise description of the program, the clientele served, the delivery mechanism including State and local governments, new directions in the programs and any significant cost-effectiveness or other analytic findings which have implications for the conduct of the program. Include comments on the effectiveness of the program in meeting its goals.
- (b) Comments concerning the reliability of the data, explanation of data sources and estimating procedures and the actions planned to improve data collection in subsequent fiscal years. Items of data not supported by the agencies internal reporting system should be indicated.

- (c) Other program indicators or data which provide additional information on program level and progress. Examples of such indicators are complaints processed, compliance reviews conducted, instances of noncompliance disclosed, actions taken against noncompliers.

(in millions of dollars
rounded to the nearest tenth)

Date _____

Agency _____

*MPSAS
12345 6 7 8 9 10

Appropriation or Fund account		Appropriation Account No.		19 20 21 22 23 24 25 26 27 28 29 30 31									
Title													
Civil rights program Name	* Code No. 11-12	* Line Code 32-35	Obligations			* Line Code 32-35	Outlays						
			1971 Actual 36-38	1972 Estimate 45-47	1973 Estimate 54-56		1971 Actual 36-38	1972 Estimate 45-47	1973 Estimate 54-56				
		1.10				1.20							
		1.10				1.20							
		1.10				1.20							
		1.10				1.20							
		1.10				1.20							
		1.10				1.20							
		1.10				1.20							
		1.10				1.20							
A. Subtotal, Civil rights program													
B. Non-civil rights program		1.12				1.22							
C. Account Total													

EXHIBIT 2
Bulletin No. 72-9

FOR OMB USE ONLY
MPSAS _ _ _ D _

REPRODUCE ON ALL
REPORTS

FEDERAL CIVIL RIGHTS PROGRAMS
PROGRAM SCHEDULE

ADMINISTERING AGENCY

BUREAU

APPROPRIATION NAME(S)

PROGRAM TITLE

ACTIVITY TITLE

	<u>DATA</u> <u>Codes</u>	<u>1971</u> <u>Actual</u>	<u>1972</u> <u>Estimate</u>	<u>1973</u> <u>Estimate</u>
<u>Financial Data:</u>				
Federal obligations ^{1/}	1.01			
Federal outlays ^{1/}	1.02			
<u>Federal Staff Workload:</u>				
Man-years of service	2.07			
Duration of average case	2.08			
(Fraction of yr)				
Cost per man-year	3.04			

^{1/} In millions of dollars, rounded to the nearest tenth.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 72-8

December 1, 1971

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Purchase of sedans and station wagons

1. Purpose. This Bulletin establishes fiscal year 1972 and fiscal year 1973 policies for acquisition and replacement of Government sedans and station wagons. Its objective is to reduce Government outlays by limiting the number and type of automobiles which may be purchased.

2. Policy.

a. FY 1972 - During the remainder of fiscal year 1972 no sedans and station wagons will be purchased except for:

(1) Police-type vehicles, only when required by expansion of workload;

(2) Vehicles to replace those which have been wrecked or damaged beyond repair; and

(3) Vehicles for expansion of fleets or replacement if urgently required. Purchases in this category must be specifically approved by the Office of Management and Budget.

b. FY 1973 - Acquisitions of sedans and station wagons in fiscal year 1973 will be limited to:

(1) Replacement acquisitions up to a maximum of one-sixth of the number of sedans and station wagons in an agency's fleet on June 30, 1972; and

(2) Expansion acquisitions required to support expanded fiscal year 1973 workload.

c. Limitation on vehicle type.

(1) Requisitions for the procurement of sedans and station wagons should generally be limited to Type II or smaller vehicles. Unless a smaller vehicle is requisitioned, invitations for bids for sedans and station wagons during the remainder of fiscal year 1972 and during fiscal year 1973 will specify that the vehicles to be supplied may meet the minimum

specifications for automobiles designated as Type II in Interim Federal Specification KKK-A-00811 issued by the General Services Administration.

(2) Exceptions from this limitation may be authorized for the purchase of police-type law enforcement vehicles and for Types IV, V, and VI vehicles where their use is prescribed in Office of Management and Budget Circular No. A-22 governing the acquisition, assignment, and use of limousines, heavy sedans and medium sedans.

3. Implementation. The General Services Administration will issue revised regulations implementing the policies established by this Bulletin. Questions regarding implementation should be directed to the Assistant Commissioner, Office of Procurement, Federal Supply Service, General Services Administration, Washington, D. C., 20406; Telephone - IDS Code 16, Ext. 78626 or 557-8626.

4. Budget guidance. Agencies which are significantly affected by this policy change will be contacted by the Office of Management and Budget to determine necessary budget adjustments for fiscal years 1972 and 1973. Requests for reapportionment of funds should be submitted to the OMB in cases where it is determined that fiscal year 1972 savings of at least \$500,000 will result from the policies of this Bulletin.

5. Coverage. This Bulletin is applicable to all departments and agencies of the executive branch, except the U. S. Postal Service, and includes agency operations in foreign countries.

6. Effective date. These instructions are effective upon issuance of this Bulletin.

GEORGE P. SHULTZ
DIRECTOR

1 Dec. 71

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OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 72-7

October 28, 1971

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Policy for Deferment of Agency Personnel Data
System Acquisition

1. Purpose. This Bulletin provides a statement of policy and implementing instructions to Federal agencies for limiting development of automated personnel data systems.
2. Background. In an attempt to improve personnel management a number of Federal agencies are developing new, or refining their existing automated personnel data systems. These actions in themselves are to be commended, however, there is growing recognition that there is considerable Government-wide duplication of effort because of the similarities among agency efforts to provide automated data systems to support the various personnel management functions (recruiting, training, career development, records maintenance, statistical reporting, etc.). In order to achieve broader standardization of Government personnel management practice, the Civil Service Commission is currently engaged in a two-part development effort. The first effort will be the establishment of an automated Central Personnel Data File (CPDF) covering most Federal civilian employees. The CPDF will be based on personnel action information (SF 50's) submitted to the CSC by agencies. The CPDF will provide a minimum capability for rapid and flexible Government-wide statistical reports and analysis. This capability should eliminate the need for certain agency reports (geographic distribution, occupational, wage and salary, etc.) required by the CSC and satisfy various internal report requirements.

The second effort will consist of the study, definition and pilot testing of a standardized system to support various personnel management functions. The design segment of the effort will examine Federal personnel management practice at all levels, seeking opportunities to standardize and where appropriate, automate, the data support to these functions. The above study effort will be completed in early Fiscal Year 1973.

3. Policy. New starts, continued development, and major modifications of automated personnel data systems will be deferred during Fiscal Year 1973. Guidelines for personnel data systems compatibility and standardization will be promulgated early in Fiscal Year 1973 and thereafter will be used by agencies in defining systems planned for implementation in Fiscal Year 1974 or beyond.

4. Exceptions to policy. Agencies may submit requests for exceptions to the foregoing policy on an individual case basis. Exceptions will be considered where: (1) Systems development was initiated in Fiscal Year 1972 (or earlier) and outlays in Fiscal Year 1973 do not exceed \$50,000; (2) It can be demonstrated that deferral or suspension of a system development during Fiscal Year 1973 would have a significantly adverse impact on current high priority projects or activities of the agency; and (3) The system is designed primarily to support payroll, accounting, and budgeting operations.

In all cases, the burden of justifying exceptions rests with the agency. A mere citation of one of the foregoing conditions will not constitute a basis for granting an exception.

5. Implementation responsibilities. Departments and agencies desiring to seek exceptions to the foregoing policy must provide individual justification by November 30, 1971, for each personnel data system effort proposed in their Fiscal Year 1973 budget. Exceptions to the above policy may also be sought at any point in time when an agency identifies a system requirement which was not included in the Fiscal Year 1973 budget submission. Agency requests for exceptions will be jointly reviewed by the CSC and OMB during the Fiscal Year 1973 budget cycle. Specific responsibilities are enumerated below.

a. Departments and agencies. Submit requests for exceptions to the deferment policy for any system on which they wish to continue or initiate major modifications or development in Fiscal Year 1973. Justifications will be prepared in accordance with the formats contained in Attachment A and forwarded in three copies to OMB, attention MISD.

b. Civil Service Commission. Perform a technical review of justifications received from agencies and recommend disposition to the OMB.

c. Office of Management and Budget. Review CSC recommendations for approval or disapproval of agency proposals and make final decision. Advise agency of final decisions as part of the Fiscal Year 1973 budget cycle.

6. Scope. The provisions of this Bulletin apply to all executive departments and agencies, except those listed in Attachment B.

7. Period of effectiveness. This Bulletin is effective immediately and will remain in effect until June 30, 1973.

GEORGE P. SHULTZ
Director

Attachments

ATTACHMENT A
Bulletin No. 72-7

JUSTIFICATION DATA

Agency Name _____

System Name _____

Agency Contact (Name and Phone Number)

1. System Overview (narrative)
 - a. General Description (purpose, method of operation, etc.)
 - b. Employee Coverage
 - c. Data Elements (what information is routinely captured by the system)
2. Agency Use of System (narrative)
 - a. Planning
 - b. Operational Control and/or Evaluation
 - c. Management Reporting
 - d. File Maintenance
 - e. Ad Hoc Analysis and Reports
 - f. Other
3. Specific System Information Products (plans and/or reports)
 - a. Salary/Occupation Statistics
 - b. Promotion/Mobility
 - c. Recruiting and Placement
 - d. Career Development (including training)
 - e. Skills Inventory
 - f. Others
4. Mission Impact Statement (narrative explanation of the effect on the agency if system is not approved)
5. Major Development (or Modification) Milestones (for each system being justified)

FUNDING DATA
(IN THOUSANDS OF DOLLARS)
SYSTEM _____

Cost Element	FY 72	FY 73	FY 74	Total
o <u>System Development or Modification</u>				
o Inhouse Manpower				
o Contractor Support (Systems Analysis and/or Programming)				
o Commercial Computer Support (i.e., service bureau contract)				
o <u>Operational Costs</u>				
o Inhouse Manpower				
o Contractor Support (Systems Analysis and/or Programming)				
o Commercial Computer Support (i.e., service bureau contract)				
o <u>Computer Hardware Acquisition</u>				
o Initial Investment (mainframe and basic peripherals)				
o Augmentation (storage, higher speed devices, communications control, etc.)				

Note: Funding data must be provided for each system which the agency is seeking an exception to the deferral policy.

ATTACHMENT B
Bulletin No. 72-7

EXCEPTED AGENCIES

Central Intelligence Agency

National Security Agency

District of Columbia Government

OPD BULLETIN NO. 720

14 Aug. 71

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 72-6

September 14, 1971

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Proposed Federal actions affecting the environment

1. Purpose. This Bulletin establishes procedures to be followed in certain instances by Federal agencies in taking or proposing actions coming within the scope of Section 102(2)(C) of the National Environmental Policy Act of 1969 (Public Law 91-190).
2. Background. Section 102(2)(C) of the National Environmental Policy Act requires that, in connection with recommendations or reports on proposals for legislation and other major Federal actions significantly affecting the quality of the human environment, Federal agencies shall prepare detailed statements concerning the environmental impact of such actions. Such statements are to be prepared after consultation with, and in consideration of comments made by appropriate Federal, State, and local agencies. The Council on Environmental Quality has published guidelines for implementing the statutory requirement (36 F. R., 7724-7729).
3. Requirements
 - a. Proposed legislation and reports on bills. Agencies are responsible, as set forth in the guidelines of the Council on Environmental Quality, for determining which of their legislative proposals or reports require preparation of a Section 102(2)(C) environmental impact statement, and for obtaining the comments of the appropriate Federal, State, or local agencies. Where a 102(2)(C) statement is determined to be required, in connection with the submission of a legislative proposal or report to the Office of Management and Budget for clearance pursuant to Circular No. A-19,

the responsible agency shall make every effort to have a statement prepared in time for information copies of such statement to accompany the proposal or report; where this is not possible, the responsible agency should indicate when such a statement will be available. OMB will consult with CEQ in all cases where the responsible agency has submitted, or indicated need for, a 102(2)(C) statement. In those cases where the clearance process discloses the need for a 102(2)(C) statement and none is under preparation, the responsible agency will be requested to develop such a statement.

In connection with any modifications of the proposal or report resulting from the clearance process, the responsible agency will make any revisions in its proposed 102(2)(C) statement that may be required. Compliance with the 102(2)(C) statement does not, of course, relieve any agency or Office of Management and Budget from responsibility for giving the fullest consideration to environmental factors in developing its views on legislative proposals or reports in accordance with Circular A-19. The responsible agency should transmit its 102(2)(C) statements on legislative proposals and reports to the appropriate Congressional committees in accordance with Section 10(c) of the revised guidelines of the Council on Environmental Quality.

b. Annual budget estimates. Annual budget estimates shall be accompanied by a summary list of those specific actions covered by the estimates which, in accordance with agency procedures, require the preparation of a 102(2)(C) statement. The list shall include, in the form illustrated in Exhibit 1, the following information by appropriation or fund account:

Column A - Action, project or activity. Identify the agency actions and individual projects and activities requiring the preparation of a 102(2)(C) statement.

Column B - Funds involved. Identify the amount of funds involved in the budget year, expressed in terms of budget authority and outlays, for those items listed in Column A.

Column C - Status of statement. Indicate, in each instance, if a draft statement has been completed, whether comments from interested parties have been received, and whether final statements have been completed.

Column D - Unusual aspects. Briefly identify unresolved issues, potential controversy, and unusual nature or degree of impact upon the environment.

In the case of programs for which it is not possible to make an assessment of the potential impact on the environment, or to identify 102(2)(C) statements that will be required, agencies may include a narrative statement containing information about general environmental impact and as to when decisions are expected on the need for 102(2)(C) statements.

In addition to submitting the summary list prescribed above, to facilitate consideration by the Office of Management and Budget of environmental aspects of budget items, each agency shall, at the earliest time possible, notify the appropriate budget examiner of the Office of Management and Budget of any action expected to be included in the agency's budget estimate which will have impact upon the environment of particularly significant and/or potentially controversial nature.

Individual draft or final statements and information to update the listings required above shall be provided by the agencies to members of the staff of the Office of Management and Budget upon their request.

c. Water resource project reports. Project reports reviewed by the Office of Management and Budget pursuant to Executive Orders 9384 and 10654 often involve proposed actions that may require application of Section 102(2)(C) procedures. In such cases, either a draft or final statement, as available, shall accompany the project report when it is referred for comments to interested Federal, State, and local agencies. The final statement and associated comments shall accompany the project report when submitted to the Office of Management and Budget for review.

4. Review of Federal actions by State and local governments. Section 102(2) (C) requires agencies to include the comments and views of the appropriate Federal, State, and local agencies which are authorized to develop and enforce environmental standards. The Council on Environmental Quality Guidelines and the Office of Management and Budget Circular No. A-95 establish the procedures to be followed in obtaining Federal, State, and local review of proposed actions subject to Section 102(2) (C).

5. Exceptions to these procedures. Should instances arise in which an agency believes compelling reasons exist for departure from these procedures, the matter should be raised with appropriate staff members of the Office of Management and Budget.

6. Rescission of previous Bulletin. Office of Management and Budget Bulletin No. 71-3, dated August 31, 1970, is rescinded, effective this date.

GEORGE P. SHULTZ
Director

3-12

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25 Aug. . 71

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2	7D26 Headquarters		
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ACTION	DIRECT REPLY	PREPARE REPLY
APPROVAL	DISPATCH	RECOMMENDATION
COMMENT	FILE	RETURN
CONCURRENCE	INFORMATION	SIGNATURE

Remarks:

Dear Jack,

Here is the latest affecting your authority
and the essence of the Executive Officers' session.

FOLD HERE TO RETURN TO SENDER

FROM: NAME, ADDRESS AND PHONE NO.

DATE

John M. Clarke

6E0708

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ACTION	DIRECT REPLY	PREPARE REPLY
APPROVAL	DISPATCH	RECOMMENDATION
COMMENT	FILE	RETURN
CONCURRENCE	INFORMATION	SIGNATURE

Remarks:

This notice formalized what I reported from the Executive Officers' meeting and what was reported in this morning's Post. We are negotiating our numbers with OMB. It appears ceilings may be levied only on permanent staff although if the attached notice applies, dollar cuts will be taken on the basis of a formula derived from all employment categories - the figures which OMB has as part of our Congressional Budget.

If it would be helpful, I will be happy to brief you or your staff in more detail on how we are progressing and some of the subtleties. I have kept the Director, DDs and Harry Fisher advised.

FOLD HERE TO RETURN TO SENDER**FROM: NAME, ADDRESS AND PHONE NO.****DATE**

John M. Clarke, 6 E 0708 Hqs.

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 72-5

August 25, 1971

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Federal civilian employment reductions

1. Purpose. This bulletin provides initial guidance on the 5% reduction in Federal civilian employment directed by the President on August 15, 1971, in connection with the economic program he announced on that date.
2. General. New ceilings will be established on June 1972 employment. In addition a ceiling will be placed on dollar totals for civilian personnel compensation and benefits for fiscal year 1972. As soon as data are developed, the Office of Management and Budget will send letters to the heads of departments and agencies establishing specific employment and dollar amounts required to meet the President's directive.

In the meantime, agency heads should take whatever action may be prudent and refrain from taking any action that would inhibit the President's intent to secure the planned employment reduction. The Presidential directive should be carried out in an orderly and nondisruptive manner.

The President expects the active and positive cooperation of all executive agency heads and officials in these essential reductions.

3. Specific Guidance. To assist agencies in their immediate planning, the following guidelines are furnished:

- Every effort should be made to insure that employment reductions occur substantially by attrition.
- Reductions will be made by agencies in such a way that vital and basic services, including those affecting health and safety, will not be interrupted.
- Personnel reallocations within agencies will be made, as required, to meet the needs of the highest priority programs.
- Agency hiring plans should be reviewed to determine whether temporary suspension of hiring new employees is indicated.

- Specified dollar reductions will be applied to fiscal year 1972 obligations for civilian personnel compensation and benefits (budget object classes 11.1, 11.3, 11.5, and 12.1).
- Reductions will be required in both full-time permanent employment and total employment. This will result in the issuance of new and lower employment ceilings for June 30, 1972.
- The average grade reduction in the General Schedule prescribed in OMB Bulletin No. 72-4 will be accomplished, even though the employment base is lowered.

4. Budget Submissions. The fiscal year 1973 budget submission for each agency will be required in accordance with the time schedules set forth in OMB Circular No. A-11. Savings resulting from the reduction in employment and in the average GS grade should be reflected in the budget submitted if this can be done without delaying the submission. If this is not possible, the budget request should be submitted based on the previously planned 1972 employment level. Such requests are to be amended as soon as practicable after submission to reflect the required reductions.

These savings will be reflected in both the 1972 estimates and in the base used in deriving the 1973 estimates. The 1972 estimates will also reflect dollar savings resulting from the 90 day freeze on periodic (within-grade) increases.

GEORGE P. SHULTZ
DIRECTOR

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	COMMENT		FILE		RETURN
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Remarks:					
<p>Attached is a copy of OMB Bulletin No. 72-4 which was discussed yesterday at the Executive Officers Group meeting and which I understand Jack Coffey mentioned at the Morning Meeting. Harry Fisher and I are exploring the implications of this to CIA and we will be in touch with you on the matter as soon as we pull together the facts.</p>					
FOLD HERE TO RETURN TO SENDER					
FROM: NAME, ADDRESS AND PHONE NO.					DATE
John M. Clarke, Director/PPB					8/10/71
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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 72-4, Supplement No. 2

June 6, 1973

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Control of grade escalation in the General Schedule

1. The 6.1 percent cost-of-living increase in Federal civil service annuities, effective July 1, 1973, for employees retiring before that date, is expected to spur a substantial increase in retirements of General Schedule employees. These retirements will provide an opportunity for careful reassessment of staffing needs. Vacant positions which contain non-essential supervisory responsibilities and overlapping duties should be restructured to the lowest possible grade levels consistent with position classification principles.
2. Each agency is reminded of the requirement to submit an average grade report as of June 30, 1973, to the Office of Management and Budget (OMB) by August 14, 1973. This report will be the final average grade report prepared by agencies under this Bulletin. OMB oversight of each agency's grade control performance will be continued after June 30, 1973 on the basis of monthly reports from the Civil Service Commission's automated Centralized Personnel Data File. When necessary, selective grade controls will be applied to individual agencies with inappropriate staffing and grade escalation trends.
3. The June 30, 1973, average grade report to OMB should indicate all persons retired on June 30, 1973 in the attached format.
4. This supplement expires upon submission of the August 14, 1973, reports mentioned in paragraph 2, above.

ROY L. ASH
DIRECTOR

Attachment

Attachment
Bulletin No. 72-4
Supplement No. 2

Department of Government

June 30, 1973

Grade Distribution

Grade	Number of Full-time Employees		
	June 30, 1973 Actual	Retirements on June 30, 1973	June 30, 1973 Actual Minus Retirements
GS - 1	113	-	113
2	456	4	452
3	1,332	41	1,291
4	1,674	47	1,627
5	1,949	39	1,910
6	1,208	17	1,191
7	2,250	38	2,212
8	780	26	754
9	3,070	77	2,993
10	412	19	393
11	2,254	67	2,187
12	2,449	94	2,355
13	2,333	108	2,225
14	1,639	91	1,548
15	1,133	56	1,077
16	224	15	209
17	84	6	78
18	30	4	26
TOTAL	23,390	749	22,641
AVERAGE GRADE	9.0831	10.3738	9.0404

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

BULLETIN NO. 72-4, Supplement No. 1

June 14, 1972

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Control of grade escalation in the General Schedule

1. The 4.8 percent cost-of-living increase for Federal annuitants effective July 1, 1972, is expected to cause a substantial acceleration of retirements of General Schedule employees during the remainder of fiscal year 1972. These retirements will provide an opportunity for a careful review of staffing patterns and restructuring of vacant positions to achieve the lowest possible grade levels consistent with position classification principles and the effective accomplishment of the agency's work. Vacancies should be examined critically to abolish marginal positions and to eliminate nonessential supervisory responsibilities or overlapping duties currently resulting in unnecessary overclassification of positions.

2. Each agency is reminded of the requirement to submit average grade reports as of June 30, 1972, to the Office of Management and Budget by August 14, 1972, as required by Bulletin 72-4, August 5, 1971. Despite the fact that average grade data for full-time General Schedule employees, compiled in the Annual Report of Salary and Wage Distribution of Federal Civilian Employees, is now reported to the Civil Service Commission as of March 31 each year, the June 30 semi-annual report to OMB remains in effect.

3. The June 30, 1972, average grade report to OMB should exclude all retirees who will be off the payroll as of the close of business June 30, 1972. This will increase the usefulness of the report in indicating current status and the potential for future reduction of average grade.

4. This supplement expires upon submission of the August 14, 1972, reports mentioned in paragraph 2, above.

CASPAR W. WEINBERGER
DIRECTOR

.....
OMB Bulletin NO 72-4

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BULLETIN NO. 72-4

August 5, 1971

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Control of grade escalation in the General
Schedule

1. Purpose. This Bulletin establishes a plan for controlling excessive grade escalation of employment under the General Schedule. These instructions supplement those in OMB Circular No. A-64, Revised, "Position Management Systems and Employment Ceilings," June 28, 1965.

2. Background. Over the years there has been continuing increase in the average grade of employees under the General Schedule, Government-wide. This upward trend has persisted in recent years so that the average grade level for classified employees has risen from 7.4 in 1968 to 7.9 in 1970. Between 1969 and 1970 the total number of employees declined by nearly 12,000, but the number in grades GS-11 through GS-15 increased by 14,600. Preliminary estimates indicate that the 1971 data will also show a significant increase over 1970 in the average grade.

At 1971 salary rates each one-tenth increase in the average grade of the General Schedule adds \$160 million to the basic payroll. It also results in increased costs of Federal Employees Group Life Insurance, as well as additional past service liability in the Civil Service Retirement System.

During the past three decades there has been a gradual increase in the proportion of professional, technical and managerial employees in the Nation's labor force. The same factors that produced this trend in the total labor force also have affected the grade distribution of the Federal workforce. It can be expected that technological change, for example, will result in some grade escalation in the Government; however, changes in the grade distribution of the General Schedule since 1968 have greatly exceeded normal trends.

There is considerable evidence that many Federal agencies have failed to exercise adequate controls over their staffing patterns for higher level positions. In many agencies the

number of employees in grades GS-7 and GS-9 has declined. In view of the ample supply of new college graduates with bachelor and masters degrees and the fact that Federal salary rates are now competitive with the private sector, increases in the population of these grades would have been expected.

3. Coverage. This Bulletin applies to all executive agencies having employees paid under the General Schedule or whose salary rates are set administratively in accord with the General Schedule.

4. Objective. The objective of this plan is to reduce, Government-wide, the average grade of the General Schedule by at least --

1/10 by the end of FY 1972
2/10 by the end of FY 1973.

5. Reduction plans. In order to achieve the overall objective stated above, each agency head is asked to prepare a plan to effect changes in the grade distribution of his employees as follows:

a. If the average grade of the agency has increased by 0.4 or more between June 30, 1968, and June 30, 1971, the agency plan should provide for a reduction from its June 30, 1971 average of 0.15 in FY 1972 and an additional 0.15 in FY 1973.

b. If the average grade of the agency has increased less than 0.4 between June 30, 1968, and June 30, 1971, the agency plan should provide for a reduction from its June 30, 1971 average of 0.1 in FY 1972 and an additional 0.1 in FY 1973.

c. If the average grade of the agency has remained level or decreased between June 30, 1968, and June 30, 1971, the agency plan should provide for a staffing pattern which will not exceed its June 30, 1971 average grade during the next two fiscal years.

Agency plans for achieving the required reduction in average grade will be submitted to the Director of the Office of Management and Budget on or before September 15, 1971, in the format shown in attachments A and B. Plans will be reviewed and either approved or revised in connection with the development of the budget for FY 1973.

6. Guidance. It is intended that each agency shall have wide flexibility in developing a plan which will achieve the stated objective. Responsibility for development and implementation of the plan should be assigned to an appropriate officer who will also serve as liaison with the Office of Management and Budget.

Since the plan requires a specified reduction in average grade by the end of the current fiscal year (i.e., June 30, 1972) it would be expedient to consider the immediate imposition of some restrictions on the filling of vacancies, especially those occurring in grades GS-11 through GS-15.

Specific measures which agencies may wish to consider, consistent with the provisions of chapter 51 of title 5 of U.S. Code, include:

- a. Careful review of all programs to determine which low priority activities can be reduced or eliminated.
- b. Review of the organizational structure of each unit to determine if existing staffing patterns are still appropriate in view of program changes.
- c. Review of supervisory levels, with particular attention to the extent of "layering" and the need for deputies or assistants.
- d. Evaluation of each position that becomes vacant to determine whether it could be eliminated or restructured at a lower grade.
- e. Planning of the staffing of new programs in a manner that will tend to lower the average grade.
- f. Exploration of feasibility of using technicians where professional staff is not being utilized at their full skill level.
- g. Consideration of the opportunity of eliminating certain positions through increases in productivity.
- h. Limiting of promotions above the journeyman level to those necessary to fill vacancies in positions of greater responsibility.
- i. Reorganization of work so that it can be accomplished with lower grade employees.

j. Strengthening of position management system as prescribed by OMB Circular A-64.

7. Reports. Agencies will prepare semi-annual reports showing the number of full-time employees in each grade of the General Schedule and the grade average (computed to four decimal places) for the agency as of June 30 and December 31 of each year. Grade averages will be computed by (a) multiplying each grade number by the number of full-time employees in the grade, (b) totaling the results so obtained, and (c) dividing the total by the number of positions involved.

Data reported should be identical with that reported to Civil Service Commission in the Annual Report of Salary and Wage Distribution of Federal Civilian Employees.

The first report for June 30, 1971, will be submitted to the Director, Office of Management and Budget by August 23, 1971. Subsequent reports will be submitted within 45 calendar days after the date of reference.

8. Budget Guidance. Later instructions will provide for the identification and use of savings resulting from the reductions in grade averages pursuant to this Bulletin in the absorption of pay raise costs in FY 1972.

9. Effective date. These instructions are effective upon issuance of this Bulletin.

10. Inquiries. Inquiries should be addressed to Office of Management and Budget, phone 395-3894 (Code 103 - Ext. 3894).

GEORGE P. SHULTZ
DIRECTOR

Attachments

Department of Government
Plan for Reduction of Average Grade

Grade	Number of Full-time Employees		
	June 30, 1971 Actual	June 30, 1972 Estimated	June 30, 1973 Estimated
GS-1	103	113	Report estimated data for this date
2	410	456	
3	1,188	1,332	
4	1,695	1,674	
5	2,144	1,949	
6	1,298	1,208	
7	1,830	2,250	
8	826	780	
9	3,089	3,070	
10	471	412	
11	2,221	2,254	
12	2,543	2,449	
13	2,353	2,333	
14	1,708	1,639	
15	1,223	1,133	
16	224	224	
17	84	84	
18	30	30	
Total	23,440	23,440	
Average grade	9.1744	9.0744	
Reduction	xxx	- 0.1000	

Department of Government

Description of Plan

A. Organizational changes (examples of subjects to be addressed).

1. Programs or activities which can be reduced or eliminated.
2. Organizational units for which the staffing pattern can be changed.
3. Evaluation of each position that becomes vacant to determine whether it could be eliminated or restructured at a lower grade.
4. Positions to be eliminated through increased productivity.
5. Plans for increasing number of positions at grades below the present average grade.

B. Implementation^{1/} (examples of actions that might be taken).

1. Restrictions on the filling of vacancies.
2. Fill vacated positions by interagency transfers rather than new hires.
3. Staff new or expanding activities so as to reduce agency-wide average grade.
4. Identify employees who would qualify for involuntary retirement if positions were abolished.
5. Lower entry levels for selected occupations.

^{1/} Indicate which actions have already been put into effect.

Name and phone number of responsible officer to whom questions should be addressed.

Name

Phone

Don't Redo, - Our Only Copy

DRAFT LETTER TO ALL EMPLOYEES

This letter is designed to explain the background and objectives of OMB Bulletin 72-4 which will control grade escalation in the General Schedule. First, I want to make clear a number of things the Bulletin does not call for or require:

1. It does not require any Reduction in Force.
2. It does not require downgrading of any employee.
3. It does not require a freeze on current employment levels.
4. It does not infringe on position classification appeal rights.

The plan we develop to meet the requirements of the OMB Bulletin should tend to increase the relative number of positions in lower and middle grades. It may involve the transfer of some employees to different organizational units when certain lower priority activities are reduced or eliminated. Our plan, however, will achieve its objective primarily through normal attrition.

The Bulletin was issued as an expression of the President's concern over excessive increases in the average grade at a time when there have been substantial increases in salary levels. It calls for a reduction in the government-wide GS average by at least 0.1 by the end of next June and an additional 0.1 by June of 1973.

Between 1968 and 1970, General Schedule salary rates increased by 21.3%, and the average GS grade increased 0.5. Federal salaries are now fully comparable with the private sector. Thus, for example, it is no longer necessary for competitive reasons to promote an employee to a higher GS level for doing a good job if, in fact, there has been no real change in the duties he performs.

We have been given wide latitude in developing a plan to meet the objectives of the Bulletin. We are sure that we will have a better plan if we have the cooperation and understanding of all employees.

TO UNION OFFICIALS

We have distributed the enclosed letter to all employees, but we would like to make the following points with respect to OMB Bulletin 72-4 and our union-management relations program:

1. We do not contemplate that the implementation of this Bulletin will have any affect on our union-management relationship.
2. The institutional and bargaining gurantees achieved by union's under Executive Order 11491 will not be changed as a result of the implementation of our plan.

If you have any questions about OMB Bulletin 72-4, please let us know by calling _____.

Enclosure

PLANS FOR CONTROL OF GRADE ESCALATION

Introduction

- We are concerned about the rapidly rising personnel costs in the Federal Government.
- Between June 1968 and June 1970 General Schedule Salary rates increases 21.3%.
- Since 1962, when the comparability principle of setting salary rates was adopted, the basic payroll of the General Schedule has risen from \$6.7 billion to \$15.1 billion, an increase of \$8.4 billion.
- The total increase can be distributed among the following causes:

Total increase	\$8.4B -100%
Increases in pay rates	4.5B - 54%
Increases in employment	2.4B - 29%
Changes in grade distribution	1.5B - 17%

- Changes in pay rates reflect
 - . Catch up to comparability levels
 - . Plus change in private enterprise rates
- Changes in number of employees reflect
 - . Vietnam build-up
 - . Expansion of domestic programs
- Changes in grade distribution reflect
 - . Technological changes
 - . Upgrading
 - . Changes in staffing patterns
- Our concern is with unnecessary
 - . Upgrading
 - . High grades in staffing patterns

-2-

The Problem

- Employment trends
 - . Since 1965 employment has gone up 174,000 (16%). Employment in grades 11-15 has gone up 104,000 (32%).
- Data not yet available for 1971
 - . We suspect further increases have occurred in upper grades
- Between 1969 and 1970
 - . Employment dropped 12,000. This should have resulted in payroll decrease of \$132M
 - . But because of grade escalation, the basic payroll rose by \$304M
- Thus net cost of grade escalation
 - . \$436 million
- Each 0.1 increase in average grade raises basic payroll by \$161 million - benefit cost also increase
- Between 1965-70 the number of employees in grades GS-11 through GS-15 rose twice as fast as total GS employment - 32% vs 16%
- Among the largest agencies increases in average grade ranged from 0.1 to nearly 0.7 between 1968 and 1970
- We believe that these increases have resulted from failure of some agencies to operate a tight position management system
 - . Failure to revise staffing patterns for activities that have diminished in importance
 - . Unnecessary "layering" of deputies and assistants
 - . Too many promotions to grades above the journeyman level when need for additional positions of greater difficulty and responsibility does not exist

-3-

The Plan

- Objective - to reduce government-wide average by at least
 - 0.1 by end of FY 1972
 - 0.2 by end of FY 1973
- Each agency will develop a plan to effect changes in grade distribution which will reduce its average grade
 - Agencies which show the greatest increase between 1968 and 1971 will be required to make the largest reductions
 - Agencies with smaller increases will make more modest reductions
 - Agencies whose average grade has remained stable or declined will be required only to maintain their 1971 average
- Plans will be submitted to OMB on or before September 15
 - Will be reviewed in connection with the development of budget for FY 1973
- Agencies will have wide flexibility in developing a plan

Means by which agencies can achieve objective

- Careful review of all programs to determine which low priority activities can be reduced or eliminated.
- Review of the organizational structure of each unit to determine if existing staffing patterns are still appropriate in view of program changes.
- Review of supervisory levels, with particular attention to the extent of "layering" and the need for deputies or assistants.
- Evaluation of each position that becomes vacant to determine whether it could be eliminated or restructured at a lower grade.
- Planning of the staffing of new programs in a manner that will tend to lower the average grade.
- Exploration of feasibility of using technicians where professional staff is not being utilized at their full skill level.

- Consideration of the opportunity of eliminating certain positions through increases in productivity.
- Limiting of positions above the journeyman level to those necessary to fill vacancies in positions of greater responsibility.
- Reorganization of work so that it can be accomplished with lower grade employees.

The Plan Will

- Not require RIF
- Not require downgrading
- Not require freeze on promotions
- Not require freeze on current employment levels
- Not infringe on position classification appeals rights
- Not affect the scope and quality of the bargaining relationship
- Tend to increase number of positions in lower and middle grades
- Require transfer of some employees to other organizational units when certain lower priority activities are reduced or eliminated
- Achieve its objective primarily through normal attrition.

.....
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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 72-3, Supplement No. 1

December 27, 1971

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Excess foreign currencies

1. Change in designation of near excess currencies. The Treasury Department has determined that the supply of local currency available for U.S. programs in Sudan can now be considered above our short range needs for the remainder of fiscal year 1972.

Sudan should be considered as a near excess currency country together with Ceylon in the context of paragraph 2 of Office of Management and Budget Bulletin No. 72-3, July 28, 1971.

2. Excess currencies, fiscal year 1972. There is no change in the designation of excess currency countries for fiscal year 1972.

GEORGE P. SHULTZ
DIRECTOR

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 72-3

July 28, 1971

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Excess foreign currencies

1. Excess currencies. The Treasury Department has determined that our supply of currencies of the following countries is excess to our normal requirements for fiscal years 1972 and 1973:

Burma
Guinea
India

Israel
*Morocco
Pakistan

Poland
Tunisia
U.A.R. (Egypt)
Yugoslavia

* 1972 only

During fiscal year 1972, special foreign currency program appropriations will be available for incurring obligations payable in these currencies, except as indicated below.

Special Foreign Currency Programs

Although Israeli currency continues to be listed as excess, its availability for special foreign currency programs is limited. Obligations under these programs will be made only within ceilings to be established by the Office of Management and Budget. The amounts specified in the ceilings will be in accordance with the plan--developed in cooperation with each of the agencies involved--for phasing out these programs by 1973.

Morocco is designated as an excess currency country only for fiscal year 1972. The amount of excess available for special foreign currency program appropriations is not sufficient for all anticipated requirements. Accordingly, obligations under these programs will be made only within ceilings to be established by the Office of Management and Budget.

2. Near excess currency. The supply of local currencies available for U.S. programs in Ceylon is above our immediate needs, but is not sufficient to be declared excess.

3. Utilization of excess and near excess foreign currencies. Full utilization of these currencies in lieu of U.S. dollars --consistent with our international agreements--must still be an objective of every agency with transactions in the respective countries. Travelers must insure that transportation and foreign subsistence expenses when going to, through, or from an excess or near excess currency country are paid in those currencies. Obligation documents for grants or for regular program expenses in those countries should specify that payment is to be made in the local currencies.

Agencies should encourage non-government organizations, with which they have sponsorship arrangements, to obtain their local currency requirements from the U.S. Government--either through local accommodation exchanges or through the Treasury Department in Washington, D. C.

Office of Management and Budget Circular No. A-20 describes the policies and procedures for the use of excess and near excess foreign currencies. Department of State Foreign Currency Bulletins give further details as to the locations of accommodation exchanges, many helpful suggestions on arranging for such travel, and the latest information concerning those countries which limit the use of the currencies for payment of travel expenses.

GEORGE P. SHULTZ
DIRECTOR

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EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

BULLETIN NO. 72-2

July 23, 1971

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Report on the location of new Federal offices
and other facilities

1. Purpose. This Bulletin provides instructions for the submission of information that will be used to prepare a consolidated report to Congress on the location of all new Federal offices and other facilities acquired between November 30, 1970 and June 30, 1971.

2. Basis. This Bulletin has been prepared pursuant to Section 901(b) of the Agriculture Act of 1970 (P.L. 91-524), which:

a. Requires the heads of all executive departments and agencies to establish policies and procedures to assure that new Federal offices and other facilities are, insofar as practicable, located in areas or communities of lower population density in preference to areas or communities of higher population density.

b. Requests the President to submit a report to Congress, by September 1 of each year, reflecting efforts to carry out the provisions of the law during the preceding fiscal year.

3. Scope.

a. Agency coverage. This Bulletin is applicable to all executive departments and agencies which contract for permanent offices or other facilities through lease, purchase, or construction. This Bulletin covers only permanent offices or facilities in the United States (fifty States and the District of Columbia) acquired during the period from November 30, 1970 to the end of the fiscal year.

b. Facilities. For the purpose of this report, a facility will be an "installation" as defined in the GSA Government-wide inventory instructions.

c. Acquisition date. For the purposes of this report, a facility will be viewed as "acquired" on the date that the contract for lease, purchase, or construction of the facility was signed.

d. Exclusions.

(1) Vacant site acquisitions for which no construction contracts have been signed will not be reported.

(2) Additions to or changes in existing facilities are to be excluded from this report if the mission performed at the facility is unchanged. Rehabilitations, renovations, alterations, or the addition of new structures to existing service activities will not be reported.

(3) Facilities which are acquired for activities of a temporary nature and which will be occupied or utilized less than one year are excluded from reporting.

(4) Facilities which are acquired to merely re-house activities of existing facilities or offices in the same area will not be reported.

4. Submission requirements.

a. Format. The report will be in two parts, and will include the following information:

(1) Part I will consist of a brief narrative statement, summarizing efforts during fiscal year 1971 by each executive department or agency to implement policies and procedures to carry out the provisions of P.L. 91-524, Section 901(b). Any pertinent internal directives or policy documents relating to this subject should also be submitted along with the summary narrative.

(2) Part II will follow the format of Exhibit 1 and will include the following information:

(a) Name of facility acquired.

(b) Location of facility. To be identified by the name of the State, county, and, if applicable, the city in which the facility is located. In addition, the appropriate nine digit location code found in the General Services Administration publication, Geographic Location Codes, should be entered.

(c) Usage. To be reported in accordance with the usage code and classification system described in the Federal Property Management Regulations, subsection 101-3.4901-1166(I), pages 11-13, (Amendment A-1, December 1964).

(d) Leased/owned status for each facility.
The code "L" should be entered if the facility is leased; the code "FO" should be entered if the facility is federally owned.

(e) High/low population density classification.
All locations must be classified as high or low population density areas according to the following criterion:

A location shall be classified as a low population density area if:

1. located in a county not within a Standard Metropolitan Statistical Area, or
2. located within a SMSA in a city which, along with its contiguous urban area, has a population of 35,000 inhabitants or less.

All other locations will be classified as high population density areas.

(f) Agency employment at the facility. The number of employees who use (or will use) and operate (or will operate) the new facility when it is fully staffed. When necessary, projections should be made and identified on the submission.

(g) Reasons for choosing the location of the facility. Attachment A contains a list of reasons why an executive department or agency might select a specific location for a new office or facility. If the decision was made on the basis of one or more of these criteria, one or more code numbers should be reported. If the decision was made for one or more reasons not included on the list, a very brief statement of the reason or reasons should be attached to the submission.

(h) Statutory/congressional requirement. If the particular facility was located in a specific location to satisfy a statutory or other formal congressional requirement, enter the code "Y" in the appropriate space; otherwise, enter the code "N." Furthermore, a citation of the requirement should be attached to the submission.

b. Due date. All executive departments and agencies which contract for permanent offices and other facilities through lease, purchase, or construction are required to submit a report for each of the newly contracted for

permanent offices to the Office of Management and Budget by August 6, 1971. Departments and agencies which have not contracted for permanent facilities between November 30, 1970 and the end of the fiscal year will submit a report to that effect.

5. Agency liaison for reports. Each department and agency should designate an individual to be responsible for the submission of reports required by this Bulletin, and to serve as liaison on the subject with the Office of Management and Budget. The designated liaison should contact the Office of Management and Budget (395-3740 or code 103, ext. 3740) as soon as possible.

6. Rescission. The Bulletin describes the procedure that will be followed in 1971 to report on facilities acquired in the last seven months of fiscal year 1971. This Bulletin is canceled after submission of the F.Y. 1971 report.

GEORGE P. SHULTZ
Director

Attachment

ATTACHMENT A
Bulletin No. 72-2

LOCATION SELECTION CODES

- | <u>Codes</u> | <u>Reasons for Selecting the Location</u> |
|--------------|---|
| 01 | Existing Government-owned property which was unutilized or underutilized prior to the establishment of this facility. |
| 02 | Proximity to client group. |
| 03 | Existence of indispensable physical properties. |
| 04 | Lower population density relative to other sites considered. |
| 05 | Availability of specialized skills in the local work force. |
| 06 | Need to collocate facility with facilities of other Federal agency or agencies to enhance interagency coordination. |
| 07 | Need to collocate facility with facilities of State or local Government agencies to enhance intergovernmental coordination. |
| 08 | Direct/indirect impact of locating the facility in an area on the improvement of social/economic conditions of that area. |
| 09 | Availability of low and moderate income housing, parking facilities, transportation, etc., for employees that could not be substantially duplicated at alternative locations. |
| 10 | Other (see comments below). |

Purpose of the annual report to Congress is to convey as precisely and concisely as possible what new Federal facilities have been acquired and why specific locations were selected. In some cases, there will be a single, unambiguous reason for selection of a location, but in other cases there may be many. In such cases, agencies will try to identify the two or, if necessary, three primary reasons for selecting the location and report them sequentially in descending order of importance, e.g., "07, 06, 09."

If an important reason for selecting the location is not included in the above list, the code "10" should be entered in the appropriate space (e.g., "07, 10, 09"); the reporting agency will then supplement the report in the format of Exhibit 1 with a simple listing of the reasons so identified, keyed to each individual facility.

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DEPARTMENT OF GOVERNMENT REPORT ON LOCATION OF NEW FEDERAL FACILITIES, FY 1971				EXHIBIT NO. 1							
NAME OF FACILITY	LOCATION			USAGE	LEASED/OWNED	STATUS (L or FO)	HIGH/LOW POPULATION	DENSITY (H or L)	AGENCY EMPLOYMENT AT THE FACILITY	REASONS FOR SELECTING THE LOCATION	STATUTORY/CONGRESSIONAL REQUIREMENT (Y or V)
	CITY, COUNTY	STATE	GSA CODE								

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19 July 1971

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 72-1

July 9, 1971

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Report of Federal support provided to State and local governments for automated information systems

1. Purpose. This Bulletin provides instructions to Federal agencies for the submission of information on Federal support to State and local governments for the development and operation of automated information systems. Included are the development, acquisition and operation of computers, telecommunications systems and related data collection analyses and distribution. The information thus obtained will be used for an analysis of the magnitude of Federal support, the various delivery systems through which it is provided, and any conditions or special provisions which are intended to provide a measure of control.
2. Background. Guidelines on cooperating with State and local governments to coordinate and improve information systems are provided in OMB Circular No. A-90; however, during the last several years an increasing amount of Federal funds have been provided through various programs to support the development of information systems at the State and local levels. The purposes of these efforts include the collection and processing of information needed to support the management of specific Federal programs, the development and operation of systems to support State and local government management as well as more generalized statistical data to support a diversity of needs. Federal support is generally provided through direct grants for such purposes, formula grants which can be used for such purposes at the option of State and local governments, or as allowable costs under specific categorical programs. In some cases support is provided in the form of Federal technical assistance. Collectively, these activities have created a number of problems in the coordination of Federal, State, and local automated information system activities.
3. Scope. The provisions of this Bulletin apply to all executive departments and agencies and cover all activities which fall wholly or partially within the definitions contained herein.

4. Definitions.

Federal support to State and local governments includes all Federal, or trust funds, and Federal man-years of technical assistance that are provided to State and local governments for the purpose of automated information systems and data processing activities. This includes funds for compensation of State and local personnel performing these activities as well as any assistance provided by contractors.

Information system activities include the collection, organization, processing, storing, and disseminating of automated information through established and organized procedures.

Data processing includes all activities associated with the planning, acquisition, installation and operation of computers, communications networks, system and application software and associated peripheral equipment.

Federal technical assistance includes all man-years of Federal specialists time to consult, advise, or counsel State and local governments in connection with State/local information systems and data processing activities.

Program is defined as any function of a Federal agency which provides assistance to State and local governments. In practice it may be called a program, an activity, a service, a project, a process or be designated in some other similar manner.

5. Reports and timing. Each agency will submit by August 13, 1971, three copies of a report, in accordance with the attached instructions and in the format of Exhibit 1, to the Office of Management and Budget.

GEORGE P. SHULTZ
Director

Attachments

ATTACHMENT A
Bulletin No. 72-1INSTRUCTIONS FOR REPORTING ON FEDERAL SUPPORT
PROVIDED TO STATE AND LOCAL GOVERNMENTS
FOR AUTOMATED INFORMATION SYSTEMS

Information is required to permit a central review of Federal financial and technical support provided to State and local governments for the development and operation of management information systems. The requested information will be provided in the format of Exhibit 1 (three copies). A separate report is required for each program. Amounts will be reported in terms of obligations to the nearest thousand dollars. Where detailed supporting records are not available, statistical estimates and approximations will be reported and clearly annotated as estimates.

Reported obligations will include Federal activities (including supplies, materials, and equipment, as well as salaries and travel costs) as well as those performed under contractual arrangements. In the case of jointly funded facilities, the required information will be reported by the agency operating the facility.

Some of the technical assistance activities may be performed as part of other full-time duties and responsibilities. Specifically, the figures reported for man-years and for obligations will also include the applicable portion of the efforts of individuals who are not engaged full-time in providing technical assistance activities to State and local governments.

Following are the instructions and guidelines for specific entries in the agency reports:

(Note: Detailed entries for each line and column will reflect estimates for FY 1971 and FY 1972--consistent with 1972 budget requests as amended.)

Blocks

1. CFDA # (if applicable). If the program is listed in the 1971 Catalog of Federal Domestic Assistance (CFDA), place the 5-digit Catalog code assigned to the program in this block. If not listed, state "NA."
2. Popular name. If the program has a name that is used more frequently than the official program title, provide that name in this block. If no popular name is in existence, use the formal program title. In all cases where the program is listed in the CFDA, the program title in this block should be identified with that used in the Catalog.

3. Type of assistance. Identify the type or types of assistance available through the program. The type of assistance will reflect the form in which the assistance is transmitted from the Federal Government and is initially received for use or distribution by State and local governments. The assistance should be identified with the appropriate code(s) as one or more of the following types:

Formula grants (Code a) - Payments to States or their subdivisions, in accordance with distribution formulas prescribed by law or administrative regulation, for activities of a continuing nature not confined to a specific project.

Project grants (Code b) - Payments for fixed periods for specific projects or the delivery of specific services or products without liability for failure to perform. Project grants can include fellowships, scholarships, research grants, training grants, traineeships, experimental and demonstration grants, evaluation grants, planning grants, technical assistance grants, survey grants, construction grants, and contractual agreements.

Direct loans (Code c) - Federal loans for a specific period of time, with a reasonable expectation of repayment. Such loans may or may not require the payment of interest.

Guaranteed or insured loans (Code d) - Programs in which the Federal Government makes an arrangement to indemnify a lender against part or all of any defaults by those responsible for repayment of loans.

Sale or donation of property and goods (Code e) - Programs which provide for the sale or donation of Federal real property, personal property, and other goods and equipment. This includes the loan of, use of, or access to Federal facilities or property.

Use of facilities and equipment (Code f) - Programs which provide for the loan of, use of, or access to Federal facilities or property wherein the facilities or property do not remain in the possession of the recipient of the assistance.

Provision of specialized services (Code g) -
 Programs which provide Federal personnel to directly perform certain tasks. These services may be performed in conjunction with non-Federal personnel, but they involve more than consultation, advice, or counseling.

Advisory services and counseling (Code h) -
 Programs which provide Federal specialists to advise or counsel State and local governments.

Training (Code i) - Instructional activities conducted directly by a Federal agency for individuals not employed by the Federal Government.

4. Narrative description. Provide a brief description of the program, covering such topics as the program objectives, who receives the benefits and how the program operates.
5. Criteria for providing support. Briefly describe the criteria used to determine which State and local governments will receive the program's services, how much they will receive, what priority is assigned to the application (if an application is required), and what the assistance may be used for. If formula grants are involved, please provide the formula. (If more space is needed, use a continuation page.)
6. Describe any restrictions on the use of data collected or developed under this program.
7. Describe any restrictions on the use of computers and communication facilities provided through this program (e.g., requirements that computers be dedicated to support the program funding the equipment).

Columns

- A. Appropriation. List in this "stub" column the title and the 13-digit budget identification code (Circular No. A-11) for each appropriation funding this program. Within each appropriation provide a line heading for: (01) the costs in terms of obligations, and (02) the man-years of technical assistance.
- B. Systems development. Report resources used for advisory consulting, feasibility studies, systems analysis, systems specifications, programming specifications, programming, testing, etc.

- C. Equipment acquisition and operation. Report resources used for the buying or leasing of computers and associated equipment--including telecommunication networks, site preparation, facility costs, supplies, programming support, hardware maintenance, personnel, administration and management, etc.
- D. Data collection analysis and dissemination. Report all resources associated with operation and maintenance of the information system including: the collection, evaluation and dissemination of data; reports control, verification, etc. (Resources reported in B and C above should not be reported in this column.)
- E. Total. Total of columns B, C, and D.

[Department or Agency Name]
[Bureau or similar organization unit] Date: _____

Program: CFDA# (if applicable) (1) Popular Name: (2) Type of Assistance: (3)
Code(s) - ' - ' - ' - ' -

Narrative Description: (4)

Criteria for Providing Support: (5)

Are there any restrictions placed on the use of data collected or developed under this program? (If yes, briefly describe.) (6)

Are there any restrictions on the use of computer and communication facilities provided through this program? (If yes, briefly describe.) (7)

Obligations in Thousands of Dollars								
Appropriation (A) (Title & Number)	Systems Development (B)		Equipment Acquisition and Operation (C)		Data Collection Analysis, and Dissemination (D)		Total (E)	
	FY 71	FY 72	FY 71	FY 72	FY 71	FY 72	FY 71	FY 72
Appropriation XXXXX: 01 Financial Asst. 02 (Tech. assistance)	\$XXX.X (X)	\$XXX.X (X)	\$XXX.X (-)	\$XXX.X (-)	\$XXX.X (-)	\$XXX.X (-)	\$XXX.X (X)	\$XXX.X (X)
Appropriation XXXXX: (Etc.) . . .								
Total: 01 Financial Asst. 02 (Tech. assistance)	\$XXX.X (X)	\$XXX.X (X)	\$XXX.X (-)	\$XXX.X (-)	\$XXX.X (-)	\$XXX.X (-)	\$XXX.X (X)	\$XXX.X (X)

Name of person to contact regarding this data: _____ Telephone number: _____